

1
2 **BEFORE THE FEDERAL ELECTION COMMISSION**

3
4 In the Matter of)
5) MUR 5208
6 Jersey Bankers Political Action Committee)
7 and W. Stuart Cameron, as treasurer)
8

9 **CONCILIATION AGREEMENT**

10
11 This matter was initiated by the Federal Election Commission ("Commission"), pursuant
12 to information ascertained in the normal course of carrying out its supervisory responsibilities.
13 The Commission found reason to believe that Jersey Bankers Political Action Committee and
14 W. Stuart Cameron, as treasurer ("Respondents") violated 2 U.S.C. § 441b(b)(3) and 11 C.F.R.
15 § 114.5(a).
16

17 NOW, THEREFORE, the Commission and the Respondents, having participated in
18 informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree
19 as follows:

20 I. The Commission has jurisdiction over the Respondents and the subject matter of this
21 proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C.
22 § 437g(a)(4)(A)(i).

23 II. Respondents have had a reasonable opportunity to demonstrate that no action should
24 be taken in this matter.

25 III. Respondents enter voluntarily into this agreement with the Commission.

26 IV. The pertinent facts in this matter are as follows:

27 1. Jersey Bankers Political Action Committee ("JebPAC") is a political committee within
28 the meaning of 2 U.S.C. § 431(4). JebPAC is the separate segregated fund ("SSF") of the New
Jersey Bankers Association.

1 2. W. Stuart Cameron is the treasurer of JebPAC.

2 3. Amboy National Bank ("Amboy") is a federally chartered bank headquartered in the
3 township of Old Bridge, New Jersey. Amboy is a member of the New Jersey Bankers
4 Association.

5 4. Pursuant to the Federal Election Campaign Act of 1971, as amended, "[i]t shall be
6 unlawful for any person soliciting an employee for a contribution to [an SSF] to fail to inform
7 such employee at the time of such solicitation, of his right to refuse to so contribute without any
8 reprisal." 2 U.S.C. § 441b(b)(3)(C). The SSF may suggest a guideline for contributions,
9 provided that the persons solicited are informed of the political purposes of the fund and that the
10 guidelines are merely suggestions, that the individual is free to contribute more or less than the
11 suggested amount, and that the SSF (or its connected organization) will not favor or disadvantage
12 anyone by reason of the amount of their contribution or their decision not to contribute.
13 11 C.F.R. § 114.5(a)(2)-(5).

14 5. Through its trade association regulations and advisory opinions, the Commission has
15 made clear that these notice provisions apply to solicitations by a trade association's SSF, such as
16 JebPAC. See 11 C.F.R. § 114.8(e)(4); Advisory Opinions 1998-19 and 1985-12 ("Solicitations
17 of a trade association's . . . approved class of personnel of corporate members must . . . meet the
18 requirements of 11 C.F.R. § 114.5(a) regarding a proper solicitation.").

19 6. Section 102.5 of the Commission's regulations applies to political committees, such as
20 JebPAC, that finance political activity in connection with federal and non-federal elections. Only
21 contributions meeting the conditions set forth as follows may be deposited in a federal account
22 established under 11 C.F.R. 102.5(a)(1)(i) or may be received by a political committee
23 established under 11 C.F.R. 102.5(a)(1)(ii): (i) Contributions designated for the federal account;

1 (ii) Contributions that result from a solicitation which expressly states that the contribution will
2 be used in connection with a federal election; and (iii) Contributions from contributors who are
3 informed that all contributions are subject to the prohibitions and limitations of the Act.

4 11 C.F.R. § 102.5(a)(2).

5 7. Amboy authorizes JebPAC to solicit its executive personnel on an annual basis.

6 Based on these solicitations, from 1996 through 2001, Amboy employees contributed at least
7 \$6,251 to JebPAC. The amount of contributions deposited in JebPAC's federal account was less
8 than \$1,000.

9 8. After receiving written authorization, JebPAC would send copies of contribution
10 materials to Amboy, which were then forwarded to Amboy's officers and branch managers.

11 9. JebPAC's contribution forms, which have remained the same since 1996, include
12 suggested contribution amounts corresponding with various "Membership Categories." A
13 document accompanying the forms provides the "goals and reasons for forming" JebPAC and
14 explains "why JebPAC is needed." The document states:

15 Contributions are solicited by JebPAC on a voluntary basis from
16 individuals desirous of aiding the advancement of the banking industry. A
17 contribution in the amounts suggested in the attached reply form
18 automatically makes you a member of JebPAC.

19
20 Contributions and expenditures of JebPAC are accounted for in one
21 of two separate funds designated as the JebPAC Federal Fund and the
22 JebPAC State Fund. The determination of what contributions are to be
23 made to each fund will be at the discretion of the JebPAC Management
24 Committee.

25
26 10. JebPAC's solicitation did not inform the solicitee that he or she may contribute more
27 or less than the suggested amount, nor that JebPAC will not favor or disadvantage anyone based
28 on the amount of the contribution or his or her decision not to contribute.

11. Respondents contend that they made a good faith effort to comply with the requirements of the Act and the Commission's regulations; although the JebPAC solicitations did not contain the specific language required by 11 C.F.R. § 114.5(a), they included a statement that contributions to JebPAC are solicited on a voluntary basis.

V. Respondents' solicitations to Amboy did not include required notices, in violation of 2 U.S.C. § 441b(b)(3) and 11 C.F.R. § 114.5(a). Respondents will cease and desist from violating 2 U.S.C. § 441b(b)(3) and 11 C.F.R. § 114.5(a). Respondents' future solicitations will also comply with the requirements of 11 C.F.R. § 102.5(a)(2).

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Two-Thousand dollars (\$2,000), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral,

- 1 made by either party or by agents of either party, that is not contained in this written agreement
2 shall be enforceable.
3 FOR THE COMMISSION:

4 Lawrence H. Norton
5 General Counsel

6 BY: Rhonda J. Vdsding
7 Rhonda J. Vdsding
8 Associate General Counsel
9 for Enforcement

10/28/02
Date

10 FOR THE RESPONDENTS:

11 W. Stuart Cameron
12 (Name) W. Stuart Cameron
13 (Position) Treasurer of JebPac
14

10-8-02
Date